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CHECK POINT SOFTWARE TECHNOLOGIES, INC. and
CHECK POINT SOFTWARE TECHNOLOGIES, LTD.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

FINJAN, INC. a Delaware Corporation,

Plaintiff,

v.

CHECK POINT SOFTWARE
TECHNOLOGIES INC., a Delaware
Corporation, CHECK POINT SOFTWARE
TECHNOLOGIES LTD., an Israeli Limited
Company,

Defendants.

Case No. 3:18-cv-02621-WHO (JCS)

**NOTICE OF MOTION AND MOTION
FOR LEAVE TO FILE MOTION FOR
PARTIAL RECONSIDERATION OF
ECF NO. 128 IN LIGHT OF ECF NO.
192**

Dept.: Courtroom G, 15th Floor
Judge: Hon. Joseph C. Spero

**NOTICE OF MOTION FOR LEAVE TO FILE MOTION FOR PARTIAL
RECONSIDERATION**

TO ALL PARTIES AND TO THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTE that pursuant to Northern District of California Civil Local Rule 7-9(b)(2), Defendants Check Point Software Technologies, Inc., and Check Point Software Technologies Ltd. (“Check Point”) hereby move this Court for an order granting them leave to file a motion for reconsideration of the Court’s Order Granting Finjan’s Motion to Compel (ECF No. 128). As required by Civil Local Rule 7-9, Check Point respectfully contends, as discussed more fully below, that the disposition of the Order should be changed in light of “[t]he emergence of new material facts or a change of law occurring after the time of such order.” Civ. L.R. 7-9(b)(2).

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Defendants Check Point Software Technologies, Inc., and Check Point Software Technologies Ltd. (“Check Point”) hereby move for leave to file a motion for partial reconsideration of Magistrate Judge Spero’s Order Granting Finjan’s Motion to Compel. ECF No. 128 (“Order”). The Order required Check Point to produce certain documents relating to the “accused products” in this case. Order at 1. On Monday, August 15, Judge Orrick granted Check Point’s motion to strike Finjan’s amended infringement contentions, striking *with prejudice* many products that Finjan previously accused and which were the subject of the Court’s Order. *See* ECF No. 192 (“MTS Order”). Because Judge Orrick determined that Finjan had not adequately accused those products of infringement and denied Finjan the ability to amend its contentions to further accuse those products, documents relating to them are not responsive to the requests for production at issue. Moreover, the rationale provided by Finjan for why such documents are relevant no longer applies, much as the Court’s rationale supporting the Order is no longer applicable. Accordingly, Check Point respectfully seeks leave to file a motion for partial reconsideration to eliminate from the scope of the Order the products that have been struck with prejudice.

II. BACKGROUND

On September 7, 2018, Finjan served its first set of requests for production. Relevant to the present motion, that set included several requests seeking financial information for the accused products (Request Nos. 20-27, 55, 57-58) as well as usage statistics for the accused products (Request Nos. 56, 60-63). Check Point objected to these requests because, *inter alia*, it had not yet received adequate infringement contentions and therefore the scope of relevant products was unclear. *See, e.g.*, ECF No. 127 at 17-18.

Finjan served its first set of infringement contentions on November 2, 2018. Those contentions failed to meet the requirements set by the Court and the Patent Local Rules, and the Court struck them in part on February 27, 2019, but granted Finjan leave to amend. ECF No. 84.

1 Finjan served its amended infringement contentions on April 4, 2019. After concluding
2 that the amended contentions similarly violated this Court’s orders and local rules, Check Point
3 filed a new motion to strike on May 15, 2019. ECF No. 125.

4 While Check Point was evaluating the amended contentions and drafting its motion to
5 strike, Finjan filed a joint letter brief concerning, among other things, its requests for financial
6 information. ECF No. 119. In that brief, Finjan explained it was “seeking financial information
7 for *the accused products* . . . and information showing how effectively *those products* use the
8 infringing technology.” *Id.* at 1 (emphases added). It went on to explain that the requests for
9 production at issue “seek information including the costs to make *the accused products*, gross and
10 net profits for *the products*, and *their* revenues, pricing structures, and valuations.” *Id.* (emphases
11 added). Finjan explained that such information was relevant to its claims for damages and to
12 rebutting Check Point’s claims of obviousness. *Id.* In addition, Finjan described that requests 56
13 and 60-63 “seek information regarding the number of users or licenses of *the accused products*,
14 the number of malware scans *those products* perform, and the number of malware *they* detect.”
15 *Id.* (emphases added). According to Finjan, such requests are directed to the use of the “infringing
16 technology.” *Id.* (citing *Georgia Pacific* factor 13). In other words, Finjan itself defined these
17 Requests as limited to the products Finjan accuses of infringement in this case.

18 On May 22, 2019, the Court granted Finjan’s Motion to Compel, requiring Check Point to
19 “produce documents responsive to plaintiff’s Requests.” *Id.* For purposes of the Order, the Court
20 defined accused products as those “contained in the list attached as Exhibit B to the Joint
21 Letter”—that is, the products that Finjan contended at the time were accused. *Id.*

22 Through a series of follow-on motions and agreements, the deadline to comply with the
23 Order was extended to September 1, 2019. *See* ECF Nos. 154, 162, 175, and 184.

24 On August 12, 2019, Judge Orrick granted Check Point’s motion to strike Finjan’s
25 amended infringement contentions, striking most of the contentions. Notably for this motion, the
26 Court struck two categories of “accused products” from Finjan’s contentions *with prejudice*:

- 27 • “Finjan has already been directed to provide pinpoint source code citations for

each limitation. To the extent that any or all of the 30 of the accused instrumentalities lack pinpoint citations, they are struck with prejudice.” MTS Order at 11.

- “Further, although I let Finjan add new products to its initial infringement contentions despite failing to seek leave or show good cause, I am not inclined to do so again. Any products not charted in the initial infringement contentions are struck without leave to amend.” *Id.* at 14.

Upon receiving the MTS Order, Check Point conferred with Finjan, seeking an agreement that Check Point need not produce documents related to products that are no longer accused. Declaration of Evan Brewer (“Brewer Decl.”), Ex. A. Finjan refused, contending only that such documents are relevant to the *Georgia Pacific* factor related to convoyed sales (factor 6). *Id.*

Following the Court’s MTS Order, fewer than half of the products (15 of 36) Finjan initially accused remain at issue in this case. *See* Brewer Decl., Ex. B. The struck products all lacked source code citations in violation of Judge Orrick’s repeated orders. *See* ECF No. 192.

Check Point now moves for reconsideration in light of the MTS Order.

III. LOCAL RULE 7-9 MOTION FOR PARTIAL RECONSIDERATION

A. Legal Standard

Under Northern District Civil Local Rule 7-9, a party may seek leave to file a motion for reconsideration any time before judgment. Civ. L.R. 7-9(a). A motion for reconsideration may be made on one of three grounds: (1) a material difference in fact or law exists from that which was presented to the Court, which, in the exercise of reasonable diligence, the party applying for reconsideration did not know at the time of the order; (2) the emergence of new material facts or a change of law; or (3) a manifest failure by the Court to consider material facts or dispositive legal arguments presented before entry of judgment. Civ. L.R. 7-9(b)(1)-(3); *see also School Dist. No. 1J, Multnomah County, Or. v. ACandS, Inc.*, 5 F.3d 1255, 1263 (9th Cir. 1993) (“Reconsideration is appropriate if the district court (1) is presented with newly discovered evidence, (2) committed clear error or the initial decision was manifestly unjust, or (3) if there is an intervening change in

controlling law.”). The moving party may not reargue any written or oral argument previously asserted to the Court. Civ. L.R. 7-9(c).

B. Argument

Check Point seeks leave to move for reconsideration of the scope of the Court’s Order based on new law and facts regarding the scope of accused products in this case. Judge Orrick’s MTS Order redefined the scope of products accused in this case as a matter of law. Whether the MTS Order is considered a material change in the law of the case, or a new material fact, the scope of accused products is drastically different than it was at the time this Court considered Finjan’s motion to compel. Documents relating to products that are no longer accused should be removed from the scope of the Order for several reasons.

First, documents related to non-accused products are not responsive to the requests that are the subject of the Order. The document requests specifically call for information related to “Accused Instrumentalities.” *See* ECF No. 127. While the Order used Exhibit B to the Joint Letter (ECF No. 119-2) to define “Accused Instrumentalities,” the Court has now struck many of them—with prejudice. Those products are now not accused, cannot be accused in the future, and should not be considered “Accused Instrumentalities” within the scope of the requests. Accordingly, documents relating to those products are not responsive and Check Point should not be compelled to produce them.

Second, the rationale provided by Finjan in its motion to compel as to why these documents are relevant is no longer applicable. Finjan admitted that it was requesting information *exclusively* about the “accused products.” ECF No. 119 at 1. It argued that the financial information was relevant to a reasonable royalty and to secondary considerations of non-obviousness and that the “usage” documents were relevant to “to show the extent to which the accused products use the patented technology.” *Id.* These arguments necessarily fail for products that are not accused of infringement. It goes without saying that financial information concerning Check Point products not accused of infringement has no bearing on the obviousness of the asserted patents. Similarly, because the non-accused products do not use the patented technology,

1 usage statistics are irrelevant. Moreover, Finjan never contended that (let alone explained how)
 2 information about non-accused products was either (1) responsive to requests specifically calling
 3 for information about “Accused Instrumentalities” or (2) relevant to the case at hand. *See*
 4 *generally, id.*

5 Third, the Court’s Order only contemplated production of documents for accused
 6 products. Order at 1. Since the Court issued its Order, the law of the case has changed, and the
 7 scope of “accused products” has changed; the Order should be updated accordingly.¹

8 Knowing that it cannot possibly justify calling products that are no longer part of this case
 9 “accused,” Finjan now ignores the plain language of its own requests and motion and argues that
 10 this information is somehow relevant under a theory of convoyed sales. Brewer Decl., Ex. A.
 11 Simply because a document might be relevant to a case does not mean that it is *responsive* to a
 12 pending request or order. Indeed, a document request seeking information about *accused*
 13 products, by definition, is *not* seeking information about convoyed sales of non-patented
 14 products. *See American Seating Co. v. USSC Group, Inc.*, 514 F.3d 1262, 1268 (Fed. Cir. 2008)
 15 (“A ‘convoyed sale’ refers to the relationship between the sale of a patented product and a
 16 functionally associated non-patented product.”). Whether or not information about non-accused
 17 products would be relevant to a theory of convoyed sales was not a subject of discovery or
 18 Finjan’s motion and thus has not been addressed by the parties or considered by this Court.
 19 Indeed, Finjan has not articulated any theory of damages that would tend to show that the non-
 20 accused products would even qualify as convoyed sales. *See Thought, Inc. v. Oracle Corp.*, No.
 21 12-CV-05601-WHO, 2015 WL 2357685, at *3-5 (N.D. Cal. May 15, 2015) (upholding decision
 22 to deny discovery into convoyed sales where plaintiff was unable to articulate a theory of
 23 damages relating to the non-accused products).

24 C. Conclusion

25 For these reasons, Check Point respectfully requests that the Court reconsider its Order by
 26 relieving Check Point of its obligation to produce financial and usage information for products

27 ¹ Indeed, in the MTS Order, Judge Orrick recognized that one of the purposes of requiring proper
 28 infringement contentions is to “streamline[]” discovery. MTS Order at 2.

1 which have been struck with prejudice from the case.

2
3 Dated: August 16, 2019

Respectfully submitted,

4 ORRICK, HERRINGTON & SUTCLIFFE LLP

5
6 By: /s/ Clement S. Roberts

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